



ARGUMENT

OF

ADAM CROOKS, Q.C.,

AGAINST

THE GREAT WESTERN APPLICATION FOR A RAILWAY
LINE FROM GLENCOE TO THE NIAGARA RIVER;

AND IN FAVOR OF

THE AMENDMENTS TO THE CHARTER OF THE ERIE AND
NIAGARA EXTENSION RAILWAY COMPANY.

BEFORE RAILWAY COMMITTEE,

FRIDAY, 10th DECEMBER, 1869.

Toronto :

PRINTED BY HUNTER, ROSE & CO., 86 KING STREET WEST,
1869.

ARGUMENT

ADAM BROOKS, O.C.

THE GREAT WESTERN APPLICATION FOR A RAILWAY
LINE FROM CLETON TO THE NIAGARA RIVER

THE AGREEMENTS TO THE FAVOR OF THE RAIL AND
NIAGARA RIVER RAILWAY COMPANY.

1869
(66)

THE RAILWAY COMMITTEE

PRINTED BY THE RAILWAY COMMITTEE

PRINTED BY HENRY HARRIS & CO. 25 KING STREET WEST

LEGISLATIVE ASSEMBLY,
ONTARIO, Dec. 10, 1860.

In Committee on Bill (No. 43), "An Act to incorporate the Canada Air Line Company."

PRESENT :—Hon. Attorney-General Macdonald in the Chair. Hon. Messrs. Cameron, Richards, Carling, McMurrich, and Wood. Messieurs. Cockburn, Carnegie, Calvin, Coyne, Currie, Craig (Glengarry), Fraser, Gow, Hays, McCall (Norfolk), McDougall, McKellar, McLeod, Ferguson, Lyon, Rykert, Sinclair, Wallis, Williams (Durham), and Williams (Hamilton).

The order of procedure having been settled,

The **CHAIRMAN** said the question before the Committee was the Preamble of the Bill (No. 43), as follows :—

"Whereas it is highly desirable that a Railway should be made from some point on the line of the Great Western Railway, at or near Glencoe, to or near Fort Erie, on the Niagara River, passing through or near the Towns of St. Thomas and Simcoe; and the persons hereinafter mentioned having petitioned to be incorporated for that purpose, it is expedient to grant a charter for the construction of such railway: Therefore Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows :—"

Hon. Mr. RICHARDS—Before that question is put, I understand that Mr. Thomson wishes Counsel to be heard on behalf of the Erie and Niagara Extension Railway Company, as the opponent of this Bill, and I therefore move that Counsel be heard.

The **CHAIRMAN**—There is no doubt but that he can be heard. Is it the pleasure of the Committee to hear Mr. Crooks?

The motion was agreed to, and Mr. Crooks was then called upon.

Mr. CROOKS then said—Mr. Chairman and gentlemen, I do not propose in the slightest degree to weary the Committee in the course of any observations on the Preamble which has just been read by the Chairmain, my sole object is simply to bring up the opposition to the present Bill in a proper form, having regard to the rules which obtain for the regulation of these matters before Parliamentary Committees. Now, so far as many questions are concerned which may be urged in opposition to the Bill of which Mr. McMaster, and the other gentlemen whose names are given here, are the promoters, it would be impossible to entertain them when discussing the various clauses of the Bill. The principal points, the principal objections, on which my clients rely in answer to this Bill, are objections having reference entirely to the expediency of granting any charter at all to these gentlemen; and these are questions which are properly discussed and disposed of in the consideration of the Preamble. When it comes to the consideration of the different clauses of the Bill, then any person or locality which is affected by any particular clause, can be heard upon that particular clause; but when the Preamble is passed, then this Committee, so far as its conclusion is concerned, has determined that it is expedient to grant a charter of some sort or other, containing some clauses or other, for the purpose of building a line of railway, such as is recited in the Preamble of this Act. And, therefore, the

Erie and Niagara Extension Railway Company have asked to be heard by Counsel in opposition to the Preamble, and have presented a petition, so that they are regularly before the Committee.

The principal objection taken in this petition, and on which the Committee are asked not to pass this Preamble, is that the petitioners already possess rights which are of the nature of vested interests over that track of country over which this Air Line proposes to construct their railway; and this is the first objection which I present to the consideration of the Committee. This objection is based upon the existence of a charter, under the provisions of which the Erie and Niagara Extension Railway Company is authorised to construct a line of railway, which, so far as the eastern portion of it is concerned from St. Thomas eastward to the Niagara River, traverses a line of country exactly the same as that which the promoters of this Bill ask you to give them powers to construct a line of railway over. And it is an answer to the application of any individual, or any set of individuals, for power to construct a railway, or any other work that would conflict with the charter already existing, that it would by implication be a repeal of chartered rights and privileges, and a declaration that the Erie and Niagara Company is to have no further existence, although by its charter it still has up to the 1st of March next, within which to organize and commence the construction of a line of railway over the same identical route; and if you pass this Preamble you then assert, if not directly, at all events by clear implication, that sundry other persons should be invested with similar chartered privileges. Now there are many instances in which, on such suggestions coming before a Committee, or being made apparent to the Committee, the Committee have rejected entirely the Preamble. To mention one, we have the case referred to in Todd's Parliamentary Practice, respecting "*The Clifton Suspension Bridge Company.*" That Bill was refused upon the ground that it was in interference with a corporation possessing in substance the same identical rights as those sought for. Upon this one single ground, therefore, it seems to me that the only conclusion the Committee can come to, is that it is not expedient to grant the prayer of this petition.

In the next place, we show that the Committee cannot pass this Act without destroying entirely all the labours which have been bestowed upon the charter now existing. Since the time this charter has been obtained, different engagements have been entered into, upon the faith that this House would maintain this charter, and that the Erie and Niagara Company would have until the 1st of March, within which to place itself in a position to fulfil them. We say, in point of fact, that in passing this Preamble you would sanction the confiscation of the Parliamentary privileges which this Legislature has already conferred upon the Erie and Niagara Railway Company. It would be practically a confiscation, it would be preventing any action on the part of the Provisional Directors up till the 1st of March. It was quite possible, having regard to all the preliminary efforts made, and without in the slightest degree trusting to the profession of the Michigan Air Line people, it is quite possible, I say, for the Company to be organized before the 1st of March next, and to enter upon the commencement of its works. It is not upon the Michigan Air Line that this Company is obliged to depend, nor upon the amount which they promised to advance. The Canadian people may look forward to the future without the slightest apprehension that this charter and its privileges will pass into American hands, and may believe that nothing will hinder the arrangements which will result in the early completion of this work. In considering this Preamble, it is not a question as to what are the probable means which can be obtained by the Erie and Niagara Company for the construction of this extension line—it is merely a question whether you are

in a position now to determine by passing the preamble of this Bill to confiscate rights which are in full existence, and rights which would otherwise be in full existence until the 1st of March next. Whether you do or do not, and whether this Legislature does or does not, grant the prayer of the "Erie and Niagara Extension Railway Company," with reference to the different amendments sought for in their charter, you ought not to confiscate rights already existent. The next objection that I present—and I propose to examine Mr. McMaster himself upon this—is with reference to the interests of the promoters of this Bill. The promoters of this Bill are the gentlemen whose names are mentioned in the first Section of the Bill. We have already had the statement of Mr. McMaster that, though they are nominally the persons who are promoting this Bill, that they are in reality the Great Western Company, and that it is in its interest they propose that this charter should be granted. Now, the Great Western Railway, under its present charter, has no power to enter upon the construction of this line of railway. Before it can do so it must obtain further Parliamentary power, and for this power it must resort to the Parliament of the Dominion of Canada. The Great Western Company comes within that category of railways which are not within the jurisdiction of this Legislature. And, bearing upon this, you will find that by the 11th Section, Act of 22nd Vict., A. D. 1858, it is empowered to lay down its lines of rails out of this Province, in order to place itself in communication with American railways; and, therefore when these gentlemen come forward and state that they are acting, not as individual supporters of this Bill, but that they are acting on behalf of the Great Western Railway Company of Canada, I say, first that they are entering upon an unauthorized course in connection with that Company; and, next, that they are appealing for power to a Legislature which the Great Western of Canada can not appeal to. The Great Western Company is precluded from obtaining the rights they seek here; they must obtain them by application to the Dominion Parliament. On this ground, therefore, it seems to me that the preamble of this Bill should not pass. There are several instances referred to in Todd's Book, wherein it appears that the promoters not being authorized to take up the undertaking was the ground for refusing to pass the preamble, and for declaring it not to have been proved. Even if the Directors of the Great Western Company were unanimous for this application, their action would be entirely nugatory. Any action of the Great Western Railway Company would require the consent of at least two-thirds of its shareholders, and that, too, expressed at a meeting convened specially for the purpose. It is not pretended for one moment that this scheme has been submitted to the Great Western shareholders; and, in point of fact, it is entirely a new proceeding, and even the Chairman of the English Directors of this Company, and the other officials in England, were not called upon for their approval of it until after their recent arrival in this country. Therefore, it is clear that if this scheme is brought forward by the Great Western Railway, or on behalf of it, that these objections lie at the very threshold. It may be said, nevertheless, that this is not the Great Western Railway Company's proceeding at all: that it is an application of the gentlemen—all gentlemen of standing—whose names appear in the first Section of the Act. But I endeavoured on the former occasion—and I will endeavour to do so now—to ascertain from an examination of Mr. McMaster whether Mr. McMaster is prepared now to add to his laborious duties the weight of becoming a speculator of the same class, and falling into the same class to which it is said Mr. Thompson, one of the principal members of the Erie & Niagara Railway Company's Board, belongs. And these other gentlemen whose names are mentioned merely appear in a representative character. But it would no doubt be a very satisfactory thing—a very consolatory thing

—to the south-western region of Ontario which for a long time, and through a variety of causes has been deprived up to the present of railway communication. I say it would be a consolatory thing for the people of this locality to know, and to be thoroughly assured, that they have these gentlemen as individuals ready to carry through this undertaking, because if this were so, then those capitalists would be found, of whom Mr. Thomson has been in search ever since you gave him the power to construct his line. And if the community see therefore that these gentlemen are prepared to undertake this line as private individuals, they will rightly expect under the charter which these gentlemen obtain as individuals, to see that they are obliged to fulfil its obligations. Then, I say, in the next place, that all the probabilities are against the Great Western Company constructing this railway. It may be said, that I am anticipating the action of the Great Western shareholders—anticipating what the Great Western Company as a corporation may itself be prepared to do. The best mode of determining the probable course of action which this company will take in the future is to see what it has done in the past. It is a necessity which exists that the Great Western Railway should in some form or other overcome the excessive gradients at Hamilton. That is a necessity which was as apparent in 1856 as it is now, and although the corporate privileges of the then existing charter had been secured for the Great Western, notwithstanding this the actions of the gentlemen who in the interest of the Great Western Company secured these charters were repudiated by their shareholders entirely, and one gentleman was victimized to an extent which is almost appalling to think of. One gentleman, at the head of the Canadian Board here, made himself liable for some £50,000, and that solely in the interest of the Great Western Railway Company in order to obtain those charters which that company is now so anxious to secure, and although as I have said, the desirableness of accomplishing this object was just as great—be just as apparent in 1857 as it is now. We shall find that however sincere Mr. McMaster and these other gentlemen are in advocating this measure in the interest of the Great Western Company, that when it is placed before their constituents in England for ratification, they will be dealt with as was Mr. Buchanan and the Board in 1856, and should they be so unfortunate as to advance money in securing this charter, they will be left to suffer the loss of any sum which they may have advanced. I propose to call Mr. Buchanan, who in 1856 when a similar scheme came up, and when those who had the interest of the Great Western in charge thought it was very desirable that one of their number should advance this large sum of money, did so, and the consequence was that although their railway charters were secured neither railway was built, and Mr. Buchanan left with this large deficiency of upwards of \$200,000. Now beyond this it is quite apparent that so far as the English mind is concerned—and in dealing with the Great Western Railway Company, you cannot look upon it as a Canadian enterprise,—because the gentlemen in this country only hold sufficient stock to qualify them for the position of directors, while the large body of the shareholders reside in England, that this would be against taking up the present project. And then there is the cardinal rule to be overcome, which all English railways have adopted since 1864, that no increase should be made in their capital account for the purpose of destroying opposition in any one particular territory. That is now a cardinal principal of railway policy, and it is always laid down at the meeting of proprietors. We find that the London and Brighton Company, which was once prosperous, ruined itself by its great additions to capital account, on enterprises into which it entered with the view of controlling a particular territory, and amongst other instances, we have the case of the London, Chatham and Dover Railway, and Mr. Laing, and other gentlemen who have been called in to extricate these companies

from difficulty, all say that this policy of securing territories, so as to destroy competition, is ruinous, and you will not find the intelligent proprietors of the Great Western Company authorizing an addition to their capital account to construct a line which in reality is in opposition to their present railway. Again, the Great Western Company is not, and the proprietors will feel that they are not, in a position—in a financial position—to undertake the building of a line which, on the testimony of Mr. Joy, would be only destructive of any profitable amount of business on the present line, and on which, having regard to the enormous cost per mile which this line stands—the Great Western—in at the present, it is so difficult to realize a dividend. I allude to this argument for the purpose of enabling you to see that when certain gentlemen come here, and without in any way producing their credentials, declare their intention to construct a railway in the interests of the Great Western Co., that their proposals emanate from themselves, and in view of the cardinal principle that I have referred to, the efforts of these, gentlemen, will be entirely migatory, and the only result of acceding to their prayer will be to destroy an enterprise which had, to a certain extent, exhibited a certain amount of progress, and which, considering the circumstances by which it was hindered and opposed, is perfectly satisfactory, and I think the Provisional Directors of the Erie and Niagara Extension Railway Co. can take credit to themselves that at all events, up to the present, they have strenuously endeavoured to fulfil the public duties which under that charter was reposed in them. There is another difficulty. It is proposed to construct this branch line on some point of the Buffalo and Lake Huron Railway, and thus to obtain that outlet which Mr. Joy referred to at Buffalo, by the Erie Railway, as they now possess it at the Suspension Bridge by the New York Central line. There is nothing to prevent the Great Western Railway Company, if it can make an arrangement with the Grand Trunk Railway Company to obtain this outlet now by availing themselves of its branch from Paris downwards. But there seems, as far as one can judge, the greatest difficulty in these two companies coming to any arrangement for the user by the Great Western Company of the Buffalo and Lake Huron Line. But if that difficulty could be removed, the Great Western, without any expenditure of money, would be brought into communication with the Erie Railway at Buffalo. These, then, are the objections which, on behalf of the Erie and Niagara Extension Railway Company, so far as their interests are concerned, I am instructed to urge. But beyond these, it is quite competent to them to urge objections of even a higher character—objections in the interest of the public, based upon considerations of public policy, and to present for the consideration of the Committee other questions which it is proper for the Committee to consider before coming to the conclusion of granting the prayer of the preamble; and one great objection, which I see has been alluded to in several discussions before your honourable House, is, that the practical direct effect of conferring upon these gentlemen, in the interest of the Great Western Railway Company, this parliamentary power, would be to create a monopoly, or, in other words, to place the whole of the western peninsula of Canada under the control of one corporation. It would destroy entirely those public benefits which arise from competition, whether the competition is in respect of railways or of other enterprises. It is in the public interest that the greatest opportunity for competition would exist. (Hear, hear.) And if we look to England we find that until very recently—only within the last ten years—have Parliamentary Railway Committees allowed railways which were simply interested in opposing applications for charters, on the ground, or, that the company which proposed to be chartered would be a competing line, to be heard before them. It was only recently, in England, that a *locus standi* was conceded to an exist-

ing railway to appear in opposition to an application for a charter for a competing line. It is a principle of legislation which, both in the English Parliament and in this Legislature, is now repudiated, that because parties may suffer from competition that therefore they have a right to object. If you were to grant this charter in the interest of the Great Western Railway Company, you would be acting diametrically in opposition to the wholesome principles of competition; you would be doing that which the Grand Trunk Railway Company, with all its power, was not able to do, and that was to obtain such a control over the Buffalo and Lake Huron Railway as would make it equivalent to a branch of their line. The strongest opposition was raised to this, on the single ground that this vast corporation would possess such power as eventually to absorb the Great Western Line, and thus place the whole of the country under its control, and that all wholesome restraint would be removed from the company. And I urge now that if you confer upon the Great Western Railway Company the powers sought for, then you will create a monopoly which will subject the whole south-western territory of Canada and its trade to the same injurious results. The object which Mr. Thomson has in view is not to compete with the Great Western Company for its traffic, but to endeavour to attract to this Peninsula a trade of enormous magnitude which now seeks the south shore of Lake Erie. It is for the purpose of making this peninsula of Canada, as from its geographical position of the continent it is meant to be, the great stepping stone between Chicago and New York, that Mr. Thomson, and the Erie and Niagara Railway Company, ask to be allowed to construct a line which is the direct route from the Atlantic to the Pacific, would carry over it the largest traffic in the world, and which, in the future, will become so enormous that the three lines would be insufficient to take it from one ocean to the other. The whole of the western peninsula of Canada will be benefited if the fullest liberty is given to capitalists to construct lines as the necessity of this traffic require them, and I therefore ask the Committee if they are prepared to sanction legislation which would be ruinous in the future, by acceding to the prayer of the preamble, and legislation which will effect us injuriously, and rob us of the advantages we ought to possess in the carrying trade, as a result of the geographical position we occupy on this continent. These are some of the observations which I have thought proper to urge in speaking of the injurious effects that would arise if you create a railway monopoly. There is the further consideration as to what is to become of the localities which are immediately concerned in the construction of the Erie and Niagara Extension Railway. They have been long enough deprived of railway accommodation, and the land which, in this southern part of Canada, is less valuable than it is in that of newer settlements, is so simply because they want railway facilities to place them closer to market, and the result in the future will be that you will have southern Canada, which ought to be one of the most prosperous parts of the country—you will have it in the most depressed condition, and the yeomanry of that part of the continent in despair of possessing railway facilities will be found selling their lands, and finding homes in those countries where a more liberal policy prevails. It is all very well for St. Thomas people now to come here and express a very great desire that this charter should be granted, but has the town of St. Thomas the right to control the interests of this great part of our country? I can, however, understand that the people of St. Thomas are not entirely free from public consideration, and would be glad to have any railway, and they remind me of that fortunate damsel who would have been so happy with either "if the other dear charmer were away." (Laughter.) This is the position of St. Thomas, and I will say to those gentlemen of St. Thomas who are so ready to accept the terms which emanate from those gentlemen who are so eager to obtain this Act that

when Mr. Beecher, of Detroit, sought assistance from St. Thomas, in connection with his project of building a railway, they demanded of Mr. Beecher some guarantee that would assure them of the honesty of his promise ; but now, so far as the promoters of this Bill are concerned, the people of St. Thomas have not even the promise of these gentlemen to fall back upon. They may have the best intentions now, but we know how far good intentions go, and the amount of macadamizing and paving they have done in another place. (Laugh). These gentlemen could, no doubt, accomplish what they say they are prepared to do, and it may be their intention to do so at present ; but they can withdraw from this whenever they please, and all that St. Thomas will have a right to say will be, that " we thought their intentions were honest," but having no guarantee in the slightest degree for their performance, they will be left in the same position as if they had acceded to the offers of Mr. Beecher. There is another public ground upon which it seems to me that this Committee should consider the question, and that is, that it is not only a monopoly that is being sought to be conferred upon the Great Western Railway Company, but it is conferring upon the Michigan Central line, in connection with the New York Central, the absolute control of the line between New York and Chicago, so far as it can be made so over this Western Peninsula. It is not in the interest of what you may term a domestic institution—a domestic corporation—but it is in the interest of these great railway monopolists, represented as we find them in the person of Vanderbilt and others, that this application is really made. They desire, by obtaining control of this peninsula, to possess a line which would be the shortest of all lines between Chicago and New York. And I ask the Committee seriously to consider this, for I shall be able to prove it to you if the Committee will examine Mr. Dakin and the other Directors of the Great Western Company, for I understand that they the other day came up from New York, red-hot, with some arrangement that they had been able to enter into with Vanderbilt and other American capitalists. So that when, on a former occasion, I asked whether any negotiations were taking place with respect to leasing the Great Western line, I was answered " no," but I was not aware then that offers were coming from Vanderbilt and those interested in the New York Central railway. The practical effect of this will be that the control of the South Shore (of Lake Erie) line, as well as the Great Western, would be vested in these gentlemen, and this would preclude the construction of any other line in South-Western Ontario. It is a proper principle of our Legislature that we ought not to confer upon persons who are out of the jurisdiction of this country too much power in connection with our own corporations ; and I submit, therefore, that if Vanderbilt and other American railroad capitalists got possession and control over this railroad that it would effect prejudicially the whole course of legislation in this country. That would be the effect, though I do not so much object to this on commercial reasons as it is desirable to foster intercourse to the utmost we can consistently can, but with regard to the general principles of legislation. We can confidently anticipate that the interests of the Great Western being under the management of persons holding the same views and possessing the same nationality with ourselves, that " British" sympathies will be perpetuated ; but let this take place which is proposed, and the effect of it will be that from one end of this peninsula to the other there would be fostered a spirit which would be inimical to the maintenance of those British principles. We would find, instead of English gentlemen managing the Great Western Railway, that instead of their employees being persons of this nationality, we would find the whole of this altered, and the line and its great influence consigned to the control of American capitalists and American employees. I am afraid that we should not even have the happiness of seeing Mr. Irvine in his accus-

tomed role, fulfilling so well the duties of Solicitor to the Great Western Company, but we should have an American lawyer in his place—(laughter)—and I should be extremely sorry to see Mr. Irvine displaced from the position which he fills so well. An argument has been advanced in favour of this Bill, but I should not notice it if it had not been urged so strongly by one of your Committee, who said that the Committee had set their faces against us, and wondered how such a man as Mr. Thomson could spring up and venture for one moment to propose to construct a railway which in the slightest degree could be considered as in competition with the Great Western Railway, and his argument was that such a line should be resisted at all hazards. Now I merely wish to allude to that argument to say that it is not right to advance again an argument which has been entirely disposed of. When Mr. Thomson first applied for a charter, that was the ground on which the Great Western were heard in opposition to it. You will find among the reasons which were given in print by Mr. Irving, on behalf of the Great Western Company—you will find that his reasons are based particularly on that one consideration; and, therefore, I argue that inasmuch as these reasons were then considered thoroughly and disposed of, that they are now precluded from being again urged; and I ask the Committee, as a body anxious to do justice, to treat them in the same manner as they had been treated before. It is in the nature of a decision which stands for your guidance as much as any on our law books. I allude to this argument that our line is a competing line to the Great Western, because it is cropping up over and over again, and I ask of you to dispose of it as you did when it was disposed of effectually on the other occasion. Mr. Joy said then that it would be a rival line to the Great Western, and that it would affect its traffic. The Great Western urged that it would affect the large investments of English gentlemen in this country, and it was then upon its knees. They were suing *in forma pauperis*. They were saying, "we have not been able to give a dividend to our shareholders from the road." What was the result? That appeal was heard, and the Committee came to a proper conclusion on it—a conclusion which any other railway committee would have come to—that when a man made investments he ought to know, particularly in this rapid age when everything advances so fast, that he must look out ahead, and that when he lets others pass him, he cannot be sympathised with. The Great Western had at one time the power so to have located their line as to have precluded any interferences of this kind, and could have avoided all the difficulty which now exists in the carriage of this traffic, and they might have prevented for some time to come, at all events, the construction of a rival line, but they chose to place their line upon such a location as now makes it entirely to the interest of another company to construct a line under more favourable circumstances, and I should be sorry indeed to find any legislation that would have the effect of hindering such a result. This was the principal ground on which the Great Western Company then founded its opposition. But instead of coming now and pleading their poverty, they say, "we are so wealthy that, by all means entrust this enterprise to us. We comprise such wealthy men as Mr. McMaster and others—(and to carrying out my former similitude)—we will say we possess those good looks which, in railway matters, are represented by heavy pockets. Therefore," they say, "Mr. Thomson is a speculator. He cannot build this line, but we—the Great Western Company—have plenty of money, and in the space of two years, and even less, we can build the line." This wonderful amount of prosperity must then be altogether attributable to the fact that the Erie and Niagara Railway has not been built, and there has been no competition to the Great Western line in the last two years, and it is natural that they should

desire to maintain that position in the future. It is manifest, therefore, to every one, and he who runs may read, that the sole object of the Great Western Company is, that it is its interest to prevent the building of a rival line, and I hope you will not be influenced except by something that has the guarantee of being an honest proceeding, to give to the south-western peninsula the privilege of railway communication. But Mr. Thomson has done more than make mere promises. He may be a poor man; a variety of causes may have left him in a different position from that of Mr. McMaster, but if gentlemen will take up railways they are necessarily subject to the fluctuations of railway property. But, nevertheless, Mr. Thomson has succeeded in building what, so far as construction is concerned, is one of the best lines in this country. He has succeeded in joining Fort Erie and Niagara, and if the International Bridge had been constructed as intended, he would have seen the formation of his work—he would have seen the City of Toronto and the City of Buffalo brought within four hours of each other. He has given to the country this pledge of his ability to do something in railway construction, and although this is a line of only thirty miles, it cost a large sum of money, and it is no small achievement in railway enterprise. It was a work that Zimmerman, with all his energy and ability, could not accomplish. I may be allowed, in the interests of the Erie and Niagara Railway Company, of which Mr. Thomson is the president, and on whose exertions they principally rely, to say that they hope to be able to carry to a successful completion the enterprise for which they have been chartered, and ask you not to listen to those stories that have been raised to the personal disparagement of Mr. Thomson. Mr. sheriff Munro, the other day, expressed in the highest manner his estimate of the services Mr. Thomson had rendered to the undertaking. It is important for you to come to a right decision in respect to the course of legislation in the future, and, for a moment sinking the consideration of the question affecting the interests of the contending railway companies, and having regard only to those great public questions I have touched upon, it is important for you to arrive at a right conclusion. If you come to a decision in favour of the preamble, if you say that parties who possess a charter yet in existence, the term of which has not yet expired, that they were to be interfered with by the charter that is now claimed, you will, in point of fact be establishing a precedent for a principle of legislation which is so obnoxious—retro-active legislation. You propose to say in advance that up to the 1st of March next—that in this interval there will be no advance made by the Erie & Niagara Railway Company, and that they will fail to organize and commence actual work. That will be the result of your adopting the preamble of this Bill; you will be doing an act which, if you were a municipal body you could not legally do; you would be passing a Bill of an *ex post facto*, of a retro-active character. This objection is one of great weight, and I wish you seriously to consider whether you will establish a precedent—which you will allow any individual or set of individuals to come before you and ask you to grant a charter similar to those asked to-day by Mr. McMaster and his colleagues.

Mr. RYKERT—If we do not do anything you will have a right to appear—or, rather, Mr. Thomson will have a right to go on and do something.

Mr. CROOKS—He has a right to go on—to fulfil every condition which the Act of Parliament imposes on him. Therefore, I ask you, the members of this important Committee, to consider the question in the spirit in which I have argued it, without in the slightest degree being influenced by considerations of a private character as opposed to interests of a public nature, and especially with regard to the principles on which this Legislature has to carry

on its duties. (Cheers.) I will ask leave to call witnesses to some of the points I have brought under your notice.

Hon. Mr. RICHARDS then moved that Hon. Mr. McMaster should be examined.

The motion was carried, and his examination and that of the Hon. Mr. Buchanan having been concluded, the Committee adjourned.

